

State of Utah

DEPARTMENT OF NATURAL RESOURCES

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Executive Director

Division of Water Rights

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State Engineer/Division Director

February 10, 2015

Gunnison Fayette Canal Co
Sherwin Sorensen
PO Box 803
Gunnison, UT 84634

Dear Sherwin,

As I indicated in the Lower San Pitch Annual Meeting, I am working towards streamlining of the Lower San Pitch assessment method, currently one of the most difficult and complicated to prepare. Some of this complication is due to the factors used for the Gunnison Fayette (GF) account and the basis for how much is billed each year.

I spent some time researching the assessment method basis for the GF account on the Lower San Pitch River. In past 9 years and since my association with the system starting in 2006, the assessment amounts are shown below.

3/20/2006	\$603.45
3/28/2007	\$898.41
3/28/2008	\$898.41
3/31/2009	\$864.57
7/15/2010	\$765.63
3/2/2011	\$976.35
3/5/2012	\$1,018.17
3/13/2013	\$1,103.89
3/13/2014	\$162.73

Please note, the amounts billed in 2014 was inordinately low, since GF was billed for a small amount of water (under the secondary assessment (AF) amount) and no acreage amount was assessed (under the primary assessment amount). Leaving out the GF acreage amount, resulted in an unusually low assessment amount being billed to GF last year, instead, that bill should have been much higher. This was an oversight on my part.

- In calculating the 9 years shown, the average is \$810. per year .
- Removing the low amount in 2014, shifts the 8 year average to \$891. per year.

To develop an equitable balance between what had been assessed and what should be assessed, I looked at the effort expended at getting the GF water. The Water Commissioner monitors many tributary streams and expends about the same amount of



effort each year in allocating water to the GF. This effort is expended whether GF gets water or not. The only variance is the amount of "on season" water which is mainly early and late season water. So there was a basis for a variable amount of water year to year, and that basis was the amount of water delivered. In consultation with the Water Commissioner, and review of history, the decision was made to structure the GF assessment for upcoming and future yearly assessments, as follows:

- A base acreage to GF will be fixed at 2558.50 acres (under the primary units) as was done in the past.
- Assess for the GF water that is received from March to November. Typically this involves early season water in March and April water, a very small amount in May and no water from June to September, with a small amount in October, and some late season water in November. This amount will be billed under the secondary assessment amount. From the Water Commissioner I accumulated the Monthly AF totals below:

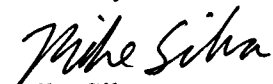
Year	January	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Mar-Nov On season	Nov-Jan Off Season
2014	558	616	416	204	100	0	0	0	0	280	420	434	1420AF	1608AF

For 2015 and future years, the GF primary assessment will be fixed at 2558.5 Acres (\$282.30*) and the variable amount of AF delivered in the previous year (for 2014: **1420AF**) from March to November will be used as the secondary units in the annual assessment calculation. {* amount may vary year to year depending on the total assessment amount, for 2015 this amount is \$17,000}

For 2015, the total assessment amount shown on your enclosed bill is \$677.57, which is well below the average paid in past years and has been deemed an equitable assessment amount and basis, per this review. This assessment varies only by the amount of water delivered each year from March to November, with most of the mid-season months June- September being "0".

If you have any questions or comments please contact me at 801 538-7430 or by email at MikeSilva@utah.gov

Sincerely,



Mike Silva
Distribution Engineer

Enclosure: Assessment Invoice

cc: Southern Regional office- Richfield
David Beck, Water Commissioner
Garth Sorensen, Deputy Water Commissioner
File (Lower San Pitch Assessments)